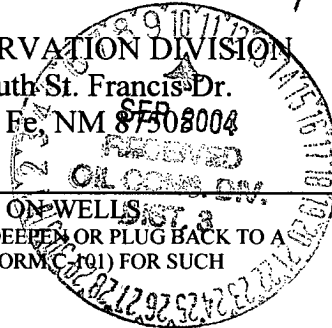


Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
March 4, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87508004



WELL API NO. <b>30-045-32417</b>	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name <b>State Gas Com AB</b>	
8. Well Number <b>3</b>	
9. OGRID Number <b>000778</b>	
10. Pool name or Wildcat <b>Basin Dakota &amp; Blanco Mesaverde</b>	

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other
2. Name of Operator <b>BP AMERICA PRODUCTION CO</b> (Attention Cherry Hlava)
3. Address of Operator <b>P.O. BOX 3092 HOUSTON, TX 77079-2064</b>

4. Well Location Unit Letter <b>P</b> : <b>680</b> feet from the <b>South</b> line and <b>795</b> feet from the <b>East</b> line Section <b>2</b> Township <b>29N</b> Range <b>10W</b> NMPM <b>SAN JUAN</b> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <b>5873'</b>	

**Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)**  
Pit Location: UL \_\_\_ Sect \_\_\_ Twp \_\_\_ Rng \_\_\_ Pit type \_\_\_ Depth to Groundwater \_\_\_ Distance from nearest fresh water well \_\_\_  
Distance from nearest surface water \_\_\_ Below-grade Tank Location UL \_\_\_ Sect \_\_\_ Twp \_\_\_ Rng \_\_\_ ;  
\_\_\_ feet from the \_\_\_ line and \_\_\_ feet from the \_\_\_ line

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: <b>Down Hole Commingling</b> <input checked="" type="checkbox"/>	<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

On 06/08/04, BP America Production Company submitted an application for permit to drill and complete the subject well into the Basin Dakota, produce the well in order to establish a production rate, isolate the zone, then add the Blanco Mesaverde and commingle production Downhole. APD was approved 09/03/2004. BP now seeks NMOCD approval to Downhole commingle production in the subject well as per procedure on reverse side of this Form.

The Basin Dakota (71599) & the Blanco Mesaverde (72319) Pools are Pre-Approved for Downhole Commingling per NMOCD Order R - 11363. The working and overriding royalty interest owners in the proposed commingled pools are identical; therefore further notification of this application is not required.

Production is proposed to be based on a fixed percentage. We will complete in the Basin Dakota Pool, isolate the Dakota; complete into the Blanco Mesaverde, establish a production rate; drill out the bridge plug and commingle production downhole. The deliverability test will be performed on the combined zones and MV rate will be subtracted from the total well stream to establish the DK rate.  
Commingling Production Downhole in the subject well from the proposed pools with not reduce the value of the total remaining production.

DHC 1626 A2

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Cherry Hlava TITLE Regulatory Analyst DATE 09/07/04

Type or print name Cherry Hlava E-mail address: hlavacl@bp.com Telephone No. 281-366-4081

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 83 DATE SEP 10 2004  
Conditions of approval, if any:

1. Conditions of approval, if an Run TDT/CBL
2. Perforate DK
3. Frac the DK (Slick Water)
4. RU SU. Clean out DK frac, perform flow test, collect DK gas sample, and obtain 12-hour BHPBU
5. Set bridge plug to isolate MV from DK formation
6. Perforate and frac (2- Stage N2 Foam) the MV Formation (optional Chacra stage TBD)
7. Clean out MV frac, perform flow test for production allocation and collect MV gas sample
8. Drill out isolation plug, commingle MV/DK and clean out wellbore to PBTD.
9. Run completion string. RDSU
10. Put well on Line

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

# WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name	
		71599; 72319		Basin Dakota; Blanco Mesaverde	
<sup>4</sup> Property Code		<sup>5</sup> Property Name			<sup>6</sup> Well Number
031997		State Gas Com AB			# 3
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name			<sup>9</sup> Elevation
000778		BP AMERICA PRODUCTION COMPANY			5873

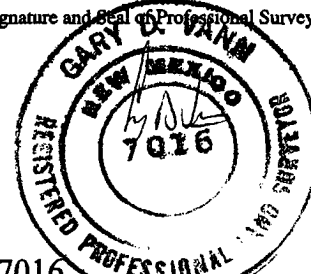
## <sup>10</sup> Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>P (Lot 6)</b>	<b>2</b>	<b>29 N</b>	<b>10 W</b>		<b>680</b>	<b>SOUTH</b>	<b>795</b>	<b>EAST</b>	<b>SAN JUAN</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

7 UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
13 Dedicated Acres 317.70	13 Joint or Infill	14 Consolidation Code		15 Order No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16 1253(R)  Lot 4	5246(R)  Lot 3	Lot 2	Lot 1 1386(R)	<div>17</div> <div>OPERATOR CERTIFICATION</div> <div>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</div> <div>Cherry Hlava</div> <div>Signature</div> <div>Cherry Hlava</div> <div>Printed Name</div> <div>Regulatory Analyst</div> <div>Title</div> <div>6-4-04</div> <div>Date</div>
1184(R)  2268(R)	2  5264(R)	Lot 5	Lot 6 795' 680'	<div>18</div> <div>SURVEYOR CERTIFICATION</div> <div>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</div> <div>May 21, 2004</div> <div>Date of Survey</div> <div>Signature and Seal of Professional Surveyor</div> <div></div> <div>7016</div> <div>Certificate Number</div>